REMARKS

This is intended as a full and complete response to the Final Office Action dated April 25, 2008, having a shortened statutory period for response set to expire on July 25, 2008. Please reconsider the claims pending in the application for reasons discussed below.

Claim Rejections Under 35 U.S.C. § 103

The Examiner rejected claims 1-19, 23-29, 54-55 and 57 under 35 U.S.C. § 103(a) as being obvious over *Simpson* (WO 0037766) and *Peterson* (U.S. 5,275,240). The Examiner rejected claim 20 under 35 U.S.C. § 103(a) as being obvious over *Simpson*, *Peterson* and *Hempel* (U.S. 2,898,971). The Examiner rejected claims 21-22 under 35 U.S.C. § 103(a) as being obvious over *Simpson*, *Peterson* and *Harrall* (SPE 2002). The Examiner rejected claim 56 under 35 U.S.C. § 103(a) as being obvious over *Simpson* and *Harrall*. In response, Applicants have amended independent claims 1 and 54. Additionally, Applicants respectfully traverse the rejection of independent claim 56.

As amended, claims 1 and 54 include the limitation of selecting a level of the radial force to increase the collapse resistance of the tubular, wherein applying the radial force induces compressive yield of an inner portion of the wall due to selecting the level of the radial force sufficient to cause the compressive yield. As admitted by the Examiner in the Office Action, Simpson fails to disclose this limitation and therefore relies on Peterson. However, Peterson fails to disclose all the limitations in amended claims 1 and 54. Peterson merely discloses a casing assembly that includes grooves disposed on both the inside and outside diameters of the casing assembly. As set forth in Peterson, the grooves are designed to ensure symmetrical deformation of the casing assembly when the casing assembly is subjected to a compressive load and moves from an extended position to a collapsed position. It is noted that the movement of the casing assembly disclosed in Peterson from the extended position to the collapsed position does not teach selecting a level of the radial force to increase the collapse resistance of the tubular such that the application of the radial force induces compressive yield of an inner portion of the wall due to selecting the level of the radial

force sufficient to cause the compressive yield as recited in amended claims 1 and 54. Therefore the combination of *Simpson* and *Peterson* fail to teach all the limitations of claims 1 and 54. Further, *Hempel* or *Harrall* fails to cure the deficiencies of the combination of *Simpson* and *Peterson*.

Claim 56 includes the limitation of expanding the tubular with a cone expander and then placing the bearing member in direct engagement with a wall of the tubular. As admitted by the Examiner in the Office Action, Simpson does not disclose expanding the tubular with a cone expander before locating the tool in the tubular and thus relies on Harrall. However, Harrall fails to disclose the limitations of claim 56. Hypothetically, applications in Harrall teach that rotary expansion tools may be used with expandable tubulars (e.g., new patches/clads as taught in Harrall at page 4 cited by the Examiner) in previously formed wells that may have existing tubing (e.g., worn casing) expanded with cone swages. This teaching of Harrall alone fails to provide any indication of swage expansion of the same tubular that is in direct engagement with a rotary expansion tool. As such, Harrall fails to cure the deficiencies of Simpson since Harrall also fails to teach, show or suggest expanding the tubular with a cone expander and then placing the bearing member in direct engagement with a wall of the tubular, as recited in claim 56.

As the foregoing illustrates, the combination of *Simpson* and *Peterson* fails to teach all the limitations of claims 1 and 54 and the combination of *Simpson* and *Harrall* fails to teach all the limitations of claim 56. This failure precludes combination of *Simpson* and *Peterson* from rendering claims 1 and 54 obvious and the combination of *Simpson* and *Harrall* from rendering claims 56 obvious. Applicants therefore submit that claims 1, 54 and 56 are in condition for allowance and respectfully requests withdrawal of the § 103(a) rejection. Additionally, the claims that depend from claims 1, 54 and 56 are allowable for at least the same reasons as claims 1, 54 and 56.

New Claims

New claims 60-65 have been added to claim aspects of the present invention. Applicants submit that no new subject matter has been added. Claim 60 depends from claim 56 and is allowable for at least the same reasons as claim 56. Further, Applicants believe that the references cited in the Office Action fails to teach or suggest a method of increasing collapse resistance of a tubular, the method comprising (a) locating a tool having at least one bearing member within the tubular, (b) placing the bearing member in engagement with a wall of the tubular to apply a radial force to a portion of the wall, (c) applying said radial force to another portion of the wall and (d) selecting a level of the radial force to increase the collapse resistance of the tubular independent of any constraining effects on the tubular; wherein applying said radial force induces compressive yield of an inner portion of the wall due to selecting the level of the radial force sufficient to cause the compressive yield, as recited in new claims 61-65. Therefore, Applicants believe that new claims 60-65 are in condition for allowance and respectfully request the same.

Conclusion

Having addressed all issues set out in the Final Office Action, Applicants respectfully submit that the claims are in condition for allowance and respectfully request that the claims be allowed.

Respectfully submitted,

William B. Patterson Registration No. 34,102

PATTERSON & SHERIDAN, L.L.P. 3040 Post Oak Blvd. Suite 1500

Houston, TX 77056

Telephone: (713) 623-4844 Facsimile: (713) 623-4846 Attorney for Applicant(s)